taken up an in-depth study of the proposal for any possible chemical/ plastic/wax coating of Indian bank notes with a view to increasing its life period. The outcome of the study is awaited.

Reduction of excise duty on cotton yarn

3172. SHRI V.P. DURAISAMY: Will the Minister of FINANCE be pleased to state:

(b) whether the Indian Chamber of Commerce and Industry, Coimbatore has appealed to the Ministry of Finance to reduce the excise duty on cotton yarn from 9.2 per cent to 5.75 per cent; and

(c) if so, what is the reaction of the Ministry thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) The Indian Chamber of Commerce and Industry, Coimbatore, had represented to the Ministry of Finance for reduction of excise duty on cotton yarn.

(b) It was decided to maintain the excise duty on cotton yarn at 9.2 per cent (total).

Issuance of Licences by IRDA

3173. SHRI A. VIJAYA RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Insurance Regulatory Development Authority has started giving licences for life insurance and general insurance companies;

(b) if so, the details thereof;

(c) whether the Authority will give permission to State Co-operative Banks to do insurance business; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Authority has informed that they have invited applications from prospective Indian Insurance companies w.e.f. 16th August, 2000.

(c) and (d) State Co-operative Banks will have to seek permission from their regulatory and supervisory authorities subject to the

provisions of any Act or regulations applicable to them. The Insurance Regulatory and Development Authority would grant the registration for doing insurance business to whosoever complies with the provisions of the registration and the definition of Indian insurance company as well as the regulations made under the Insurance Act and the Insurance Regulatory and Development Authority Act.

Potential of Dunlop India Ltd.

3174. SHRI GOPALSINH G. SOLANKI:

SHRI BRATIN SENGUPTA:

SHRI BHAGATRAM MANHAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the newsitem captioned "Dunlop output touches Rs. 17 crores after reopening" appearing in the Times of India on the 17th July, 2000;

(b) whether it is a fact that Dunlop India Ltd. has great potential in the Market;

(c) if so, whether Government propose to provide all possible-assistance/guidance to the company to fulfil the basic requirements of BIFR for its revival; and

(d) what it is the outcome of the fresh proposals submitted by the Company to IDBI for its revival?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) Yes, Sir. Dunlop India Ltd. is registered as sick company with Board for Industrial and Financial Reconstruction (BIFR). Industrial Development Bank of India (T.DBI) has been appointed as an Operating Agency (OA). Dunlop India Ltd. was directed by BIFR to submit a revised rehabilitation scheme to OA. The OA has received the revised proposal on July 11, 2000, which *inter-alia*, includes (i) resumption of entire operation by the company, (ii) restructuring of dues by banks and debenture holders, (iii) grant of certain reliefs and concessions by the creditors, and (iv) rationalization of work force by way of voluntary retirement scheme. OA has convened joint meeting of all